

# Industry Circular



## Internal Revenue Service

Alcohol, Tobacco, and Firearms Division  
Washington, D.C. 20224

December 10, 1969

Industry Circular No. 69-28

### REDESIGNED BLUE EXPORT STRIP STAMPS FOR USE ON SPIRITS BOTTLED IN BOND

Proprietors of distilled spirits  
plants and others concerned:

Purpose. This circular is issued to inform you of certain changes in the design of blue export strip stamps in connection with amendments of 26 CFR Part 201, to prescribe the period during which stocks of the previous issue may be used after the effective date of the amendments, and to provide for disposition of such stamps on hand on the effective date or at the end of the "use-up" period. The amendments will become effective March 1, 1970.

Background. The amendments of 26 CFR Part 201 provide for the use of a nondenominational, standard-size, blue export strip stamp, in lieu of a denominational stamp, on bottles having a capacity of 1/2 pint or more. The use of small-size stamps for bottles having a capacity of less than 1/2 pint will be continued, but that stamp has also been redesigned. The amendments also eliminate the requirements for overprinting blue export strip stamps except for overprinting of the word "DRAWBACK" when spirits are to be exported with benefit of drawback. As a result, identification of the producer, the season and year of production, the season and year bottled, and the proof of the spirits will not appear on either the standard-size or the small-size stamps.

Use of stocks of denominational blue export strip stamps. Stocks of denominational stamps on hand on the effective date of the amended regulations may be used through June 30, 1970, provided that such stamps are overprinted with the information required prior to the effective date of the amended regulations.

Ordering redesigned blue export strip stamps. Proprietors who wish to start using the redesigned stamps on the effective date of the amended regulations may place orders sufficiently in advance to have the stamps available. Orders will be placed on Form 428 (Rev. 3-70), Requisition for Bottle Strip Stamps, unless the revised form is not yet available. In that case, Form 428 (Rev. 9-62) may be used by entering the quantities desired in column (b) on the lines for "Standard" and "Less than 1/2 pint stamps." All requisitions for the redesigned stamps placed before the effective date of the amended regulations, whether on Form 428 (Rev. 9-62) or on Form 428 (Rev. 3-70), should be noted "NEW DESIGN" in conjunction with the entry indicating blue

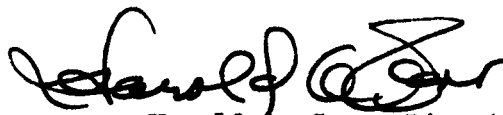
stamps. After the effective date, the Bureau of Engraving and Printing will issue only the newly designed stamps.

Delivery of unused stamps to assigned officers. On the effective date of the amended regulations or thereafter, but not later than the close of business June 30, 1970, all stamps on hand of the previous issue will be delivered to the assigned officer, together with an inventory, in duplicate, listing separately by denomination all stamps so delivered. The assigned officer will, after verifying the inventory, endorse his receipt on both copies, noting thereon any exceptions, and return one copy to the proprietor.

Reporting of stamps. The amendments of 26 CFR Part 201 change the filing requirements for the report of bottle strip stamps from monthly to quarterly. Form 2260, Quarterly Report of Bottle Strip Stamps, has been revised as of March 1970 to conform to the change in filing time and to provide instructions for reporting the less than 1/2 pint blue stamps in column (b), the standard-size blue stamps in column (k), and the uses by size of bottle in columns (c) through (j) at line 10. Denominational blue export strip stamps used after the revised form is placed in use will, if less than 1/2 pint denomination, be reported in column (b), or, if other than the less than 1/2 pint denomination, in column (k) of Form 2260, as standard size. In preparing Form 2260 for the quarter in which stamps on hand of the previous issue are delivered to the assigned officer, the proprietor will enter in the appropriate columns at line 12 the total number of blue export strip stamps delivered to the assigned officer, as evidenced by the endorsed inventory returned to the proprietor.

Forms. To conform to the changes made in regulations, Forms 428 and 2260 have been revised. Your Assistant Regional Commissioner will furnish you with an initial supply of the revised forms as soon as they become available.

Inquiries. Inquiries regarding this circular should refer to its number and be addressed to your Assistant Regional Commissioner, Alcohol, Tobacco and Firearms.



Harold A. Serr, Director  
Alcohol, Tobacco and Firearms Division